

# countrywide

Farmers plc

Supplying the rural community



**Interim Report & Accounts**  
For six months ended 30 November 2007

# Supplying the rural community

Countrywide is the leading UK business in the supply of products to the rural community. The businesses include Agriculture, Energy and Retail trading throughout the UK to market town and country customers, with products available through sales specialists, direct sales team, country stores and e-commerce. Countrywide have over 11,000 shareholders, 40,000 account holders and employ over 800 members of staff.

## Agriculture

The agricultural business supply a wide range of feed and arable products to farmers. The range includes compound feeds, blends, straights, feed supplements, grass seed, cereal seed, fertiliser and crop protection. In addition specialist products are supplied to golf courses and sports grounds by Turf & Amenity. Feed and Arable sales specialists working in the field deliver expert knowledge to farming and amenity customers and a direct sales team offer competitive prices on a wide range of inputs. Supported by a fleet of branded vehicles and a dedicated customer service team the business provides a first class customer experience.



## Energy

The energy business has been supplying products to the rural community for over 50 years. Heating Oil, Tractor Diesel and Road Diesel are delivered direct with a superb range of fuel tanks available for safe and secure storage. Over 40 autogas sites are located throughout the UK, and fuel card packages are available for forecourts nationwide. LP Gas is available in bulk and cylinders and along with all energy products is supported by an excellent customer service team, with a human voice on the end of the phone. Competitive prices, reliable delivery service and expert advice is available on all products including renewable energy.



## Retail

The retail business has over 40 country stores throughout the rural community. The majority of stores are open 7 days a week supplying a wide range of products for farmers, smallholders, equestrians, pet owners, country sports people, gardeners, general public and rural businesses. Trained product specialists including AMTRA qualified, are available to offer advice on products and services. A local delivery service is available along with car loading and for those customers wishing to buy on line Countrywide now offer 24hr shopping.

For further information on countrywide or to shop online visit [www.countrywidefarmers.co.uk](http://www.countrywidefarmers.co.uk)



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# **Contents**

	<i>Page</i>
<i>Chairman's Report</i>	1 - 2
<i>Registered Office and Advisers</i>	2
<i>Consolidated Profit and Loss Account</i>	3
<i>Note of Historical Cost Profits and Losses</i>	4
<i>Statement of Total Consolidated Recognised Losses</i>	4
<i>Consolidated Balance Sheet</i>	5
<i>Consolidated Cash Flow Statement</i>	6
<i>Consolidated Cash Flow Statement Notes</i>	7 - 8
<i>Notes to the Financial Statements</i>	9 - 14
<i>Independent Review Report</i>	15

## **Chairman's Report**

I am pleased to be reporting to you for the first time as Chairman of Countrywide Farmers plc, on the unaudited half year accounts for the six months to 30 November 2007.

Whilst the first six months of the year has historically shown an operating loss, in this six month period I am pleased to report a significantly reduced group operating loss of £0.483m which compares to a loss of £1.314m last year. Market conditions remain challenging in all three of our main businesses and so it is all the more pleasing to be able to report such a large drop in first half operating losses.

The reorganisations announced last year end in our Agricultural business focussed activity on the formulation, buying, selling and marketing of our comprehensive range of Countrywide branded products. Through the dedicated commitment and determination of the team, the business has emerged stronger and performance has improved significantly in the half despite the difficult and volatile market conditions.

Retail remains the most profitable business within the group and achieved a like for like sales increase of 9.4% in the first six months of the year. This exceptionally strong performance contrasts with the somewhat sluggish growth reported by many retail businesses recently. Senior management in the retail business has been strengthened and all aspects of the operation have been improved with a particular focus in this half year on implementing improvements to all aspects of customer service. These changes will provide the platform for continued growth and improvement in returns. A key part of our programme is the opening of new stores. I am therefore delighted to report two further store openings in the first half and a further two in early December, to increase our number of stores to 43.

The Energy business has also traded well in the first half despite the relatively mild autumn weather, and we have grown fuel volumes 17% in the first half of the year. Most importantly, shortly after the half year, we acquired the 50% interest that ESSO owned in our LPG joint venture. Full details of the acquisition are included in Note 13 to these accounts and the assets acquired and the results of the business will be consolidated in the financial statements at the 31 May 2008 year end. The acquisition represents a major transaction for the company and will be earnings enhancing in the first year. It provides an excellent return on investment and, as the operator of the business for the last fifteen years, we are uniquely placed to understand the opportunities it presents to consolidate our LPG activities.

During the first half of 2006, we recognised a profit on disposal of £1.7m arising from the receipt of £6.8m for the sale of surplus freehold land at Evesham. When the developer secured planning consent on the site we received a further £4.4m in the first half of this year. These receipts have been used to reduce borrowings and interest costs in the first half show a pleasing fall on last year. The sustained increase in raw material prices has led to higher levels of both trade debtors and creditors and maximum efforts are being applied to minimise this impact on business working capital. Net debt at 30 November 2007 stood at £9.7m with gearing at a comfortable 35% compared to 40% at 31 May 2007 and 63% at 30 November 2006.

The Board announced in February 2007 it had completed an internal reorganisation with the acquisition by the Company of the business and assets of two of its wholly owned subsidiaries, WMF Limited and Midland Shires Farmers Limited. The last part of the reorganisation is the liquidation of these now dormant companies. This process is due to start shortly and will not impact on the Company's day-to-day trading activities.

## **Chairman's Report** *(Continued)*

The Board expects the improved performance to be maintained in the second half of the year, and that full year operating profit will be well ahead of that reported last year. The business continues to actively seek to grow the number of Countrywide stores, to develop our Agricultural business with an increased focus on sales and marketing and to expand our energy trading area with a new fuel storage depot in Weston super Mare.

I would like to take this opportunity to thank John Pugh for his service as Chairman of Countrywide Farmers plc for the last three years and his many years service before that as a Director of the company and its predecessors. I also acknowledge and thank all employees for their continued commitment and dedication to the company.

I look forward with confidence to working with my Board colleagues as we focus on the development of a profitable future for the company built upon our desire to effectively serve all aspects of the rural community.

Nigel Hall  
Chairman  
28 February 2008

## **Registered Office and Advisers**

Registered Number	3776711
Registered Office	Defford Earls Croome Worcester WR8 9DF
Auditors	PricewaterhouseCoopers LLP 31 Great George Street Bristol BS1 5QD
Bankers	Barclays Bank PLC Park House Newbrick Road Stoke Gifford Bristol BS34 8TN
Solicitors	Bond Pearce LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ

# Consolidated Profit and Loss Account

For six months ended 30 November 2007

	Note	Group Six months ended 30 November 2007 £000s	Group Six months ended 30 November 2006 £000s
<b>Turnover:</b> including share of joint venture		80,343	75,967
Less: share of joint venture turnover		(1,704)	(1,452)
<b>Group turnover</b>		<u>78,639</u>	<u>74,515</u>
<b>Cost of Sales</b>		(64,781)	(61,425)
<b>Gross Profit</b>		<u>13,858</u>	<u>13,090</u>
Other operating income		336	267
Net operating expenses		(14,677)	(14,671)
<b>Group Operating (Loss)</b>		<u>(483)</u>	<u>(1,314)</u>
Share of operating (Loss)/Profit of joint venture		(62)	29
<b>Total Operating (Loss) including Joint Venture</b>		<u>(545)</u>	<u>(1,285)</u>
<b>Non-operating items:</b>			
Profit on disposal of Tangible Fixed Assets	2	-	1,692
Loss on disposal of Tangible Fixed Assets	2	-	(98)
Profit on disposal of Investments		-	2
<b>(Loss)/Profit before interest and taxation</b>		<u>(545)</u>	<u>311</u>
Interest receivable	3	103	90
Interest payable	3	(369)	(734)
Other finance income	3	158	0
<b>(Loss) on ordinary activities before taxation</b>		<u>(653)</u>	<u>(333)</u>
<b>Taxation</b>	4	36	(208)
<b>(Loss) after taxation</b>		<u>(617)</u>	<u>(541)</u>
Minority Interests in profit for the period		(14)	(13)
<b>(Loss) for the period</b>		<u>(631)</u>	<u>(554)</u>

## **Note of Historical Cost Profits and Losses**

For six months ended 30 November 2007

	Group 2007 £000s	Group 2006 £000s
Reported (Loss) on ordinary activities before taxation	(653)	(333)
Realisation of property revaluation gains of prior years	-	5,429
Historical cost (Loss)/Profit on ordinary activities before taxation	<u>(653)</u>	<u>5,096</u>
Historical cost (Loss)/Profit for the period after taxation and minority interest	<u>(631)</u>	<u>4,875</u>

## **Statement of Total Consolidated Recognised Losses**

For six months ended 30 November 2007

	Note	Group 2007 £000s	Group 2006 £000s
(Loss) for the financial period		(631)	(554)
Actuarial (loss)/gain recognised in the pension scheme	12	(2,801)	2,439
Movement on deferred tax asset relating to pension scheme		784	(732)
Impact of tax rate change recognised in reserves		(128)	-
Tax effect of realisation of property revaluation gains		-	(1,629)
Total recognised (losses) for the year		<u>(2,776)</u>	<u>(476)</u>

# Consolidated Balance Sheet

For six months ended 30 November 2007

		Group At 30 November 2007 £000s	Group At 30 November 2006 £000s	Group At 31 May 2007 £000s
<b>Fixed Assets</b>				
Intangible assets		304	354	361
Tangible assets	5	31,547	35,656	32,332
Investments		107	108	107
Investment in Joint Venture:				
Share of Gross Assets		5,694	5,081	5,256
Share of Gross Liabilities		(1,969)	(1,775)	(1,551)
		<u>35,683</u>	<u>39,424</u>	<u>36,505</u>
<b>Current Assets</b>				
Stock	6	13,415	12,215	11,728
Debtors	7	20,741	18,874	22,295
Cash at bank and in hand		<u>40</u>	<u>6,437</u>	<u>74</u>
		34,196	37,526	34,097
<b>Creditors - amounts falling due within one year</b>	8	(30,604)	(36,366)	(29,753)
<b>Net Current Assets</b>		<u>3,592</u>	<u>1,160</u>	<u>4,344</u>
<b>Total Assets less Current Liabilities</b>		<u>39,275</u>	<u>40,584</u>	<u>40,849</u>
<b>Creditors - amounts falling due after more than one year</b>	9	(4,278)	(5,089)	(4,643)
<b>Provisions for liabilities and charges</b>		(1,284)	(1,319)	(1,404)
<b>Net assets excluding Pension Liability</b>		<u>33,713</u>	<u>34,176</u>	<u>34,802</u>
Net Pension Liability	12	(6,150)	(10,080)	(4,475)
<b>Net assets</b>		<u>27,563</u>	<u>24,096</u>	<u>30,327</u>
<b>Capital and Reserves</b>				
Called up share capital		16,413	16,413	16,413
Merger reserve		(7,343)	(7,343)	(7,343)
Revaluation reserve		14,536	14,947	14,536
Profit and loss account	10	<u>3,858</u>	<u>0</u>	<u>6,634</u>
Equity shareholders' funds	11	27,464	24,017	30,240
Equity minority interests		99	79	87
<b>Total equity shareholders' funds</b>		<u>27,563</u>	<u>24,096</u>	<u>30,327</u>

The financial statements on pages 3 to 14 were approved by the Board of Directors on 28 February 2008.



# Consolidated Cash Flow Statement

For six months ended 30 November 2007

		Group Six months ended 30 November 2007 £000s	Group Six months ended 30 November 2006 £000s
<b>Net cash (outflow)/inflow from operating activities</b>	(a)	(848)	574
<b>Returns on investments and servicing of finance</b>			
Interest received		33	43
Interest paid		(380)	(815)
Interest element of finance lease payments		(13)	(32)
Dividend paid to minority interests		(2)	(9)
		<u>(362)</u>	<u>(813)</u>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(755)	(1,500)
Sale of tangible fixed assets		4,470	7,648
		<u>3,715</u>	<u>6,148</u>
<b>Acquisitions and disposals</b>			
Sale of investments		-	11
		<u>-</u>	<u>11</u>
<b>Net cash flow before use of liquid resources and financing</b>		<u>2,505</u>	<u>5,920</u>
<b>Financing</b>			
(Decrease) in Members' loans		-	(1)
Decrease in Members' Retirement Scheme		(26)	(14)
Decrease in finance loans		-	(3)
Repayment of loans		(3,750)	(350)
Capital element of finance lease payments		(168)	(153)
		<u>(3,944)</u>	<u>(521)</u>
<b>Net cash (outflow) from financing</b>		<u>(3,944)</u>	<u>(521)</u>
<b>(Decrease)/Increase in cash for the period</b>	(b)	<u>(1,439)</u>	<u>5,399</u>

## **Consolidated Cash Flow Statement Notes**

For six months ended 30 November 2007

### **(a) Reconciliation of Operating (Loss) to Net Cash Flow from Operating Activities**

	Group Six months ended 30 November 2007 £000s	Group Six months ended 30 November 2006 £000s
Operating (loss)	(483)	(1,314)
Depreciation charge	1,463	1,408
Goodwill amortisation	57	53
(Increase) in stock	(1,687)	(245)
(Increase)/Decrease in debtors	(2,075)	3,815
Increase/(Decrease) in creditors	2,370	(2,675)
Excess of pension contributions over charge	(493)	(468)
Net cash (outflow)/inflow from operating activities	(848)	574

### **(b) Reconciliation of Cash Flow to movement in Net Debt**

	Group Six months ended 30 November 2007 £000s	Group Six months ended 30 November 2006 £000s
Increase in Bank deposit	-	6,437
(Increase) in net overdraft	(1,439)	(1,038)
Decrease in loans	3,750	350
Decrease in Members' loans	-	1
Decrease in lease financing	168	153
Decrease in Members' Retirement Scheme	26	14
Decrease in finance loans	-	3
Movement in net debt for the year	2,505	5,920
Opening net debt	(12,197)	(21,054)
Closing net debt	(9,692)	(15,134)

## **Consolidated Cash Flow Statement Notes** (Continued)

For six months ended 30 November 2007

### (c) Analysis of Net Debt

<b>Group</b>	<b>At 1 June 2007 £000s</b>	<b>Cash Flow £000s</b>	<b>At 30 November 2007 £000s</b>
Cash in hand	74	(34)	40
Due within one year:			
Cash in hand and at bank, advances and overdrafts	(1,860)	(1,405)	(3,265)
Bank loans	(4,100)	3,400	(700)
Members' loans	(92)	-	(92)
Finance leases	(266)	153	(113)
Due after one year:			
Bank loans	(4,550)	350	(4,200)
Members' Retirement Scheme	(1,310)	26	(1,284)
Finance leases	(93)	15	(78)
	<u>(12,197)</u>	<u>2,505</u>	<u>(9,692)</u>

# Notes to the Financial Statements

For six months ended 30 November 2007

## 1) BASIS OF PREPARATION

The interim report and accounts are unaudited but have been formally reviewed by the auditors and their report is set out on page 15. The information shown for the six months ended 30 November 2007 does not constitute full financial statements within the meaning of section 240 of the Companies Act 1985. The results shown for the year ended 31 May 2007 are extracted from the full financial statements, which have been filed with the Registrar of Companies.

The report of the auditors on these accounts was unqualified and did not contain a statement under section 237(2) or section 237 (3) of the Companies Act 1985.

The accounting policies used in these statements are consistent with those used in the Financial Statements at 31 May 2007.

## 2) NET PROFIT ON SALE OF TANGIBLE FIXED ASSETS

The net profit on sale of tangible fixed assets of nil (2006: £1,594,000) arose from the disposal of properties that were surplus to the Group's operational requirements.

## 3) INTEREST

	Group Total Six months ended 30 November 2007 £000s	Group Total Six months ended 30 November 2006 £000s
<b>Interest Receivable</b>		
Interest receivable on bank deposit	33	-
Joint Venture interest receivable	70	90
	<u>103</u>	<u>90</u>

### Interest Payable

Interest payable on bank loans and overdrafts	340	486
Interest on invoice discounting finance	13	202
Interest on other loans	-	11
Interest payable on finance leases	13	32
Interest payable other than Joint Venture	<u>366</u>	<u>731</u>
Joint Venture interest payable	3	3
	<u>369</u>	<u>734</u>

## OTHER FINANCE INCOME

	Group Total Six months ended 30 November 2007 £000s	Group Total Six months ended 30 November 2006 £000s
Other finance income - pension scheme	<u>158</u>	<u>0</u>

## Notes to the Financial Statements (Continued)

For six months ended 30 November 2007

### 4) TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	Group Total 30 November 2007 £000s	Group Total 30 November 2006 £000s
<b>Current tax</b>		
United Kingdom corporation tax at 29.7% (2006: 30%)		
Group	651	(54)
Joint Venture	(9)	-
Current tax charge/(credit)	<u>642</u>	<u>(54)</u>
Deferred tax:		
Group	(674)	239
Joint Venture	(4)	23
<b>Tax on (loss)/profit on ordinary activities</b>	<u>(36)</u>	<u>208</u>

### 5) TANGIBLE FIXED ASSETS

Group	Freehold				Total £000s
	Land and Buildings £000s	Leasehold Property £000s	Plant and Machinery £000s	Vehicles £000s	
<b>Cost</b>					
At 1 June 2007	30,150	1,683	15,805	1,647	49,285
Additions	-	47	708	-	755
Disposals	-	-	(441)	(117)	(558)
Reclassification	-	157	87	(244)	-
<b>At 30 November 2007</b>	<u>30,150</u>	<u>1,887</u>	<u>16,159</u>	<u>1,286</u>	<u>49,482</u>
<b>Depreciation</b>					
At 1 June 2007	6,530	653	8,644	1,126	16,953
Charge for the year	286	83	993	101	1,463
Disposals	-	-	(362)	(119)	(481)
Reclassification	-	69	169	(238)	-
<b>At 30 November 2007</b>	<u>6,816</u>	<u>805</u>	<u>9,444</u>	<u>870</u>	<u>17,935</u>
<b>Net book value at 30 November 2007</b>	<u>23,334</u>	<u>1,082</u>	<u>6,715</u>	<u>416</u>	<u>31,547</u>
Net book value at 31 May 2007	<u>23,620</u>	<u>1,030</u>	<u>7,161</u>	<u>521</u>	<u>32,332</u>

## Notes to the Financial Statements (Continued)

For six months ended 30 November 2007

### 6) STOCK

	Group At 30 November 2007 £000s	Group At 30 November 2006 £000s	Group At 31 May 2007 £000s
Raw materials and consumables	768	330	463
Finished goods	12,647	11,885	11,265
	<u>13,415</u>	<u>12,215</u>	<u>11,728</u>

### 7) DEBTORS

	Group At 30 November 2007 £000s	Group At 30 November 2006 £000s	Group At 31 May 2007 £000s
Trade debtors	16,503	14,661	14,428
Other debtors	1,242	1,649	1,379
Prepayments and accrued income	2,232	1,679	2,095
Deferred taxation	764	885	-
Accrued capital receipt	-	-	4,393
	<u>20,741</u>	<u>18,874</u>	<u>22,295</u>

### 8) CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group At 30 November 2007 £000s	Group At 30 November 2006 £000s	Group At 31 May 2007 £000s
Bank loans, advances and overdrafts	3,581	8,149	5,815
Amounts due in respect of invoice discounting	384	6,586	145
Members' loans	92	94	92
Trade creditors	18,190	16,047	17,220
Finance lease obligations	113	334	266
Corporation tax	2,437	1,583	1,792
Other taxation and social security	1,450	1,100	1,286
Accruals and deferred income	4,357	2,473	3,137
	<u>30,604</u>	<u>36,366</u>	<u>29,753</u>

## Notes to the Financial Statements (Continued)

For six months ended 30 November 2007

### 9) CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group At 30 November 2007 £000s	Group At 30 November 2006 £000s	Group At 31 May 2007 £000s
Bank loans	4,200	4,900	4,550
Finance loan	-	1	-
Finance lease obligations	78	188	93
	<u>4,278</u>	<u>5,089</u>	<u>4,643</u>

### 10) PROFIT AND LOSS ACCOUNT

	Group £000s
At 1 June 2007	6,634
Retained (loss) for the year	(631)
Actuarial loss on pension scheme	(2,801)
Movement on deferred tax relating to pension liability	784
Impact of tax rate change recognised in reserves	(128)
At 30 November 2007	<u>3,858</u>

### 11) RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	Group At 30 November 2007 £000s	Group At 30 November 2006 £000s
At beginning of period	30,240	24,493
Retained (loss) for the period	(631)	(554)
Actuarial (loss)/gain on pension scheme	(2,801)	2,439
Movement on deferred tax relating to pension liability	784	(732)
Impact of tax rate change recognised in reserves	(128)	-
Tax effect of realisation of revaluation gain	-	(1,629)
At end of period	<u>27,464</u>	<u>24,017</u>

# Notes to the Financial Statements (Continued)

For six months ended 30 November 2007

## 12) PENSION OBLIGATIONS

During the period, the Group has operated two pension schemes, the Countrywide Farmers Money Purchase Pension Scheme and the Countrywide Farmers Retirement Benefits Scheme.

A full actuarial valuation of the Countrywide Farmers Retirement Benefits Scheme was carried out at 5 April 2006 and has been updated to 30 November 2007 by a qualified independent actuary. The major assumptions used by the actuary are as detailed in the Financial Statements at 31 May 2007, with the following exceptions: Discount rate of 5.9% (May 2007: 5.7%), Inflation rate of 3.25% (May 2007: 3%) and Corporate bonds rate of return 5.7% (May 2007: 5.5%).

	At 30 November 2007 £000s	At 30 November 2006 £000s	At 31 May 2007 £000s
<b>Analysis of the amount charged to operating profit in respect of defined benefit scheme:</b>			
Current service cost	86	106	202
Past service credit	-	-	(1,871)
Total operating charge/(credit)	<u>86</u>	<u>106</u>	<u>(1,669)</u>
<b>Analysis of the amount charged to other finance income:</b>			
Net return	(158)	-	(13)
<b>Analysis of amount recognised in statement of total recognised gains and losses (STRGL):</b>			
Net (loss)/gain recognised	(2,801)	2,439	8,087
<b>Movement in deficit during the period:</b>			
Deficit in scheme at beginning of period	(6,393)	(17,308)	(17,308)
Movement in period/year:			
Current service costs	(86)	(106)	(202)
Past service credit	-	-	1,871
Contributions	580	574	1,146
Net finance income	158	-	13
Actuarial (loss)/gain	(2,801)	2,439	8,087
Deficit in scheme at end of period	<u>(8,542)</u>	<u>(14,401)</u>	<u>(6,393)</u>
Related deferred tax asset	2,392	4,321	1,918
Net pension liability	<u>(6,150)</u>	<u>(10,080)</u>	<u>(4,475)</u>



## **Notes to the Financial Statements** *(Continued)*

For six months ended 30 November 2007

### **13) POST BALANCE SHEET BUSINESS ACQUISITION**

On 17 December 2007, Countrywide Farmers plc acquired 50% of the Joint Venture business that was operated by Countrywide LP Gas Limited and Esso Petroleum Company. The transaction had an effective date of 30 September 2007. Following the transaction the group owns 100% of the business.

The group paid £1,975,000 for the interest in the business and a further £1,955,038 for 50% of the business' working capital.

The assets acquired and the results of the business from the effective date will be consolidated into the financial statements at 31 May 2008.

# ***Independent review report to Countrywide Farmers plc***

## **Introduction**

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2007, which comprises the consolidated profit and loss account, statement of consolidated total recognised gains and losses, the consolidated balance sheet, consolidated cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

## **Directors' responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with listing rules of Sharemark.

The half yearly financial report has been prepared in accordance with the basis set out in note 1.

## **Our responsibility**

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the listing rules of Sharemark and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2007 is not prepared, in all material respects, in accordance with UK GAAP and the listing rules of Sharemark.

PricewaterhouseCoopers LLP  
Chartered Accountants  
28 February 2008  
Bristol

# Countrywide Sites





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